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No. 22

CERTIFIED PUBLIC ACCOUNTANTS

LAURA SCOTT

MADISON, WISCONSIN
OCTOBER, 1910

CERTIFIED PUBLIC ACCOUNTANTS

LAURA SCOTT

COMPARATIVE LEGISLATION BULLETIN—NO 22—OCTOBER, 1910
Prepared with the co-operation of the Political Science
Department of the University of Wisconsin

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CONTENTS

PAGE

REFERENCES ... 3

HISTORY ... 7

LAWS ... 8
- Foreign ... 8
- United States ... 13
  - Citations to Laws ... 13
  - Boards of Accountancy ... 14
    - Number of Members ... 14
    - Length of Term ... 14
    - Appointive Power ... 14
    - Salary of Members ... 15
    - Qualification of Members ... 17
    - Powers of the Board ... 20
  - Certified Public Accountants ... 21
    - Qualifications ... 21
    - Examinations ... 25
      - Frequency ... 25
      - Public Notice ... 26
      - Scope ... 27
      - Waiver ... 29
  - Certificates ... 35
    - Issuance ... 35
    - Duration ... 35
    - Revocation ... 37
  - Fees ... 40
  - Penalties ... 41

SALIENT FEATURES ... 43
- Methods of Regulation ... 43
- Apprenticeship ... 43
- Examinations ... 43
- Educational Qualifications ... 44

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HISTORY

About sixty years ago Scotland regulated the profession of accountancy; England followed twenty-five years later; but not until 1896 was the profession of accountancy recognized legally in the United States. New York was the first state to provide a law for conferring the title of "Certified Public Accountant". The demand for such legislation has gradually spread and several states at the present time have laws regulating the certification of public accountants and the practicing of the profession of accountancy.

LAWS

Foreign countries

Canada. Many of the provinces of Canada regulate accountants by chartering the societies and regulating the admission thereto.

See Ontario, 1905, No. 16; Saskatchewan, 1908, c. 55; 1909, c. 15.

England.[1] "Accountants are regulated by chartering the societies. The Institute of Chartered Accountants in England and Wales was incorporated by royal charter on 11th May, 1880. It is in affect an amalgamation of several older societies of accountants, and the charter was given in recognition of the great and increasing importance of accountants, and in order to secure for the community the existence of a class of persons well qualified to be employed in the responsible and difficult duties often devolving upon public accountants. The institute is a body corporate with perpetual succession, and is governed by a council of not more than forty-five members. The members are Fellows or Associates of the Institute, and are entitled to the use of the initials F. C. A. or A. C. A. They may not follow any business or occupation other

[1] A bill has been introduced in England which requires registration of all persons practicing as public accountants, and forbids other than registered persons to so practice.

than that of a public accountant, or some business which, in the opinion of the council, is incident thereto or consistent therewith. As regards admission to the Institute, persons who have been for ten years continuously in practice as public accountants need not pass examinations. But, with this exception, those who desire to be members of the Institute must generally be articled to a public accountant for a period varying, with the circumstances, from three to five years, and must pass certain examinations. The Society of Accountants and Auditors is a company incorporated in 1885, under sec. 23 of the Companies Act, 1862, and is licensed by the Board of Trade to omit the word "limited" from its title. No examination is necessary for the original members, nor need those who were in practice on the 31st of December, 1895, pass examinations; in other cases, membership of the society is obtained only after examinations have been satisfactorily passed. Public accountants, public accountants' principal clerks, and official accountants in the employ of the government, or of bankers, corporations, public bodies, or limited companies, are eligible for membership; accountants' clerks may be student members of the society."

"In England anybody has the right to become a public accountant, and many do so without having passed any examination or without having become members of any society of accountants which confers qualifications. In addition to the Institute of Chartered Accountants in London there exist four bodies of accountants in the United Kingdom which have been incorporated under charter from the Crown, and whose members are consequently entitled to describe themselves as "chartered accountants" There is, in addition, the Society of Incor-

porated Accountants and Auditors . . . who are know as "incorporated accountants."[1] And there are several minor societies which have been recently constituted under the limited liability companies acts . . .

The expression "certified public accountant" is not recognized in England; but an injunction could be obtained against persons who attempt to describe themselves as "chartered accountants" or "incorporated accountants" when they are not."[2]

France. The accountant societies are chartered similar to the English System. The examinations are very strict.

Germany.[3] In Germany accountants are sworn in before a court of competent jurisdiction or other proper authority. The judges or officers determine whether or not the candidate is competent. The Chamber of Commerce requires candidates to pass an examination.

New Foundland. The Institute of Accountants of New Foundland was incorporated by Act No. 16, 1905.

New Zealand. A statutory body to provide for the training, examination and certification of accountants is established. Acts 1908, No. 211.

Scotland. Chartered accountant is the professional designation used by accountants who are members of one or other of the three societies of accountants in Scotland, which are incorporated by royal charter. These three societies are "the Society of Accountants in Edinburgh," which received its charter in 1854; "The Institute of Accountants and Actuaries in Glasgow," which received

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[1] Encyclopaedia of Laws of England, Vol. 1, p. 115.

[2] Daily consular and trade reports, Sept. 19, 1910, p. 860.

[3] Verzeichnis der Bücherrevisoren.

its charter in 1855: and "The Society of Accountants in Aberdeen" which received its charter in 1867. The members of these three societies also use, for professional purposes, the initial letters "C. A." to represent the words "chartered accountant". While in the present state of the law it is open to any one who pleases to practice in Scotland as an accountant, no one who is not a member of a chartered society is entitled to call himself a chartered accountant" or to use the letters "C. A." as a professional designation (See Society of Accountants in Edinburgh, 1893, 20 R. 570).

The ordinary method of admission to any one of these societies is by examination following upon apprenticeship to a chartered accountant. The three societies have a joint examining board. An apprentice, who must be at least seventeen years of age at the commencement of his apprenticeship is required to pass a preliminary examination in general knowledge, prior to within six months after the date of his indenture. A graduate of any university of the United Kingdom, however, or a person who has obtained the government school leaving-certificate, or who has passed an examination which in the opinion of the general examining board, is equivalent to the preliminary examination, is exempt from that examination. After one year of the apprenticeship has been served, and at least one year before he presents himself for the final examination, the apprentice is required to pass an "intermediate examination" in mathematics and professional knowledge, including bookkeeping. The final examination takes place after the term of apprenticeship has expired. Before presenting himself for it, the candidate must have attended a class of Scots law at a Scottish University, and such

other classes as may be prescribed by the rules of the particular society which he wishes to join. The subjects of the final examination are the law of Scotland, the elements of actual science and of political economy, and the general business of an accountant. The period of apprenticeship which must be served is, in the cases of the Edinburgh society and the Aberdeen society, five years, and in the case of the Glasgow institute four years. The Edinburgh society exacts an apprenticeship fee of one hundred guineas, and an admission fee of one hundred guineas. The Glasgow institute has no apprenticeship fee, and the admission fee is fifty guineas. The Aberdeen society has an apprenticeship fee of twenty-five guineas, and an admission fee of forty guineas. The Glasgow institute admits as associates, persons who are training to become members. These associates must pass an examination and pay certain fees, upon which they are entitled to some of the privileges of the institute, but have no voice in the management or interest in the funds of the institute. The council of the Glasgow institute has also power to admit as members of the institute, in certain circumstances and upon certain conditions, accountants of good standing and of at least ten years' practice, without requiring them to serve an apprenticeship."[1]

Transvaal. The use of the title "Public Accountant" is restricted to those who are registered as public accountants under the ordinance and incorporated into the Transvaal society of accountants. It provides rules for enabling a person entitled to be registered as a member of the society, including among them the

[1] Green's Encyclopaedia of Scots Law. Vol. 2, p. 407.

members of any of the societies of accountants of England and Wales, Scotland and Ireland, whose membership is declared to be sufficient by the by-laws of the society for the time being in force for admission into the society.[1]

See Ordinances of 1904, No. III (Private)

UNITED STATES

Citation to Laws

California, Laws 1901, c. 213
Colorado, Laws 1907, c. 203
Connecticut, Laws 1907, c. 202
Florida, Laws 1905, p. 106
Georgia, Laws 1908, p. 87
Illinois, Laws 1903, p. 281
Louisiana, Laws 1908, c. 125
Maryland, Laws 1900, c. 719
Massachusetts, Laws 1909, c. 399
Michigan, Laws 1905, No. 92
Minnesota, Laws 1909, c. 439.
Missouri, Laws 1909, p. 710
Montana, Laws 1909, c. 39
Nebraska, Laws 1909, c. 95
New Jersey, Laws 1904, c. 230
New York, Laws 1896, c. 312; Laws 1901, c. 343
Ohio, Laws 1908, p. 332
Pennsylvania, Laws 1899, No. 17; Laws 1909, No. 165
Rhode Island, Laws 1906, c. 1370
Utah, Laws 1907, c. 86
Virginia, Laws 1910, c. 158
Washington, Laws 1903, c. 72

[1] The Journal of Comparative Legislation. New Series No. XV. p. 179.

Boards of Accountancy

State	*Number of Members*	*Length of Term*	*Appointive Power*
California	5	4 years	Governor
Colorado	3	3 years	Governor
Connecticut	3	3 years	Governor
Florida	3	3 years	Governor
Georgia	3	3 years	Governor
Illinois	3	Not specified	University of Illinois
Louisiana	3	6 years	Governor
Maryland	4	2 years	Governor (From a list of six names proposed by the Maryland Association of public accountants)
Massachusetts	1		
Michigan	3	3 years	Governor
Minnesota	3	3 years	Governor
Missouri	5	5 years	Governor
Montana	3	3 years	University
Nebraska	3	2 years	Governor (one member is the auditor of public accounts)
New Jersey	3	3 years	Governor
New York	3		University
Ohio	3	3 years	Governor

Boards of Accountancy—Continued.

State	*Number of Members*	*Length of Term*	*Appointive Power*
Pennsylvania	5	3 years	Governor
Rhode Island	3	3 years	Governor, with advice and consent of senate
Utah	3	4 years	Governor
Virginia	5	3 years	Governor
Washington	5	5 years	Governor (From a list of 15 nominated by the Washington Association of public accountants)

Salary of Members

California. All Expenses and not exceeding five dollars per day for each member while attending sessions of the board or conducting examinations.

Colorado. Necessary travelling expenses and not exceeding ten dollars per day for time actually spent in pursuance of duties.

Connecticut. Ten dollars per day and necessary expenses while engaged in the discharge of duties.

Florida. Actual expenses and not to exceed ten dollars per day to each member for the time actually expended

in pursuance of his duties. Provided the charge of each such certified public accountant shall in no case exceed ten dollars per day.

Georgia. Traveling expenses, stationary and clerk hire.

Illinois. Necessary travelling expenses, and not more than ten dollars per day for time actually spent.

Louisiana. Expenses, including mileage, and not exceeding fifteen dollars per day for the time expended in conducting examinations and issuing certificates.

Maryland. No provisions for salary.

Michigan. Ten dollars per day for the time actually spent and necessary travelling expenses incurred.

Minnesota. Necessary expenses, including travelling incurred in the performance of their duties.

Missouri. Not to exceed five dollars per day while engaged in their duties, exclusive of the necessary travelling and other expenses.

Montana. Travelling and hotel expenses in the performance of their duties.

Nebraska. Actual expenses.

New Jersey. Travelling and hotel expenses, not to exceed five dollars per day, officers to receive such salary as may be fixed by the board.

Ohio. Not to exceed five dollars per day for the time actually expended in performing duties, and necessary travelling expenses.

Pennsylvania. Expenses in the performance of duties and travelling expenses.

Rhode Island. Actual expenses incurred in the discharge of duties.

Utah. Not to exceed ten dollars per day while attend-

ing sessions of the board or conducting examinations, and expenses.

Virginia. Not exceeding ten dollars per day for time actually spent, and necessary travelling expenses in the performance of duties.

Washington. Not exceeding five dollars per day while attending meetings and conducting examinations, and expenses.

Qualification of members

California. Three members of the board must be competent and skilled public accountants who have been in practice in California for not less than five consecutive years; after the first appointments must be holders of certified public accountant certificates in California.

Colorado. Members of the board must be skilled in the knowledge and practice of accounting and actively engaged as professional accountants in Colorado; after Dec. 31, 1907, must be holders of certified public accountant certificates in Colorado.

Connecticut. Two members of the board must be skilled in the practice of accounting and after three years must be holders of certified public accountant certificates. The other member of the board must be an attorney at law.

Florida. The members of the board must be skilled in practice of accounting and after 1906 must be holders of certified public accountant certificates.

Georgia. Two members of the board must be public accountants who have practiced for at least five years; after 1908, must be certified public accountants. The other member must be a practicing attorney in good standing in the courts of Georgia.

Illinois. Two members of the board must be skilled in the the practice of accounting and actually engaged therein in Illinois. The other member an accountant as above described or an attorney skilled in commercial law.

Louisiana. Members of the board must be skilled in the practice of accounting and actually engaged therein in Louisiana; after the first appointments must be holders of certified public accountant certificates in Louisiana.

Maryland. Two members of the board must be public accountants selected from a list of six proposed by the Maryland association of public accountants; after the year 1900 must be holders of certified public accountant certificates. The other two members must be practicing attorneys in good standing in any of the courts of Maryland.

Massachusetts. The bank commissioner constitutes the board of accountancy.

Michigan. Two of the members of the board must be selected from a list of accountants who have been practicing in Michigan for at least three years; their successors must be holders of certified public accountant certificates. The other member must be a practicing attorney in good standing in the courts of Michigan.

Minnesota. The first three members appointed must be skilled in the practice of accounting, must have been for a period of three years next preceding their appointment actively engaged therein in Minnesota on their own account; after the appointment of the first three members, must be holders of certified public accountant certificates.

Missouri. The members of the board must have been engaged in the reputable practice as public accountants for a continuous period of three years immediately pre-

ceding the passage of the act (June 10, 1909), one year of which must have been in Missouri; after the expiration of the terms of the first appointees, must be holders of certified public accountant certificates in Missouri.

Montana. The members of the board must be holders of certified public accountant certificates without examination and skilled in the knowledge, theory and practice of accounting and in commercial law as affecting accounting.

Nebraska. One member of the board must be the auditor of public accounts and the other members must be holders of certified public accountant certificates of Nebraska.

New Jersey. The members of the board must be public accountants residing in New Jersey, who have practiced their profession at least three years; their successors must be holders of certified public accountant certificates.

New York. The members of the board must be holders of certified public accountant certificates.

Ohio. The members of the board must be skilled in the knowledge and practice of public accounting and actively engaged as professional accountants in Ohio. Not more that two members of the board shall be from the same political party.

Pennsylvania. Three of the members of the board must be public accountants who have been in practice at least five years; after 1899 must be holders of certified public accountant certificates. The other two members of the board must be practicing attorneys in good standing in any of the courts of Pennsylvania.

Rhode Island. The members of the board must be citizens of Rhode Island and skilled in the practice of account-

ing; after 1907 must be holders of certified public accountant certificates.

Utah. At least two of the members of the board must be competent, skilled, public accountants who have been in practice as such in Utah for not less than three years; after 1910 must be holders of certified public accountant certificates.

Virginia. Three members of the board must be practicing public accountants who have been actively engaged in such practice on their own account for at least three years next preceding such appointment; after Jan. 1, 1911, must be holders of certified public accountant certificates. One member must be a practicing attorney in good standing in any of the courts of Virginia. One member must be an educator.

Washington. The members of the board must be skilled and reputable accountants who have been in practice not less than three consecutive years.

Powers of the Board

The general powers of the boards are:

(1) to formulate rules for their own government and the conduct of examinations:

Cal., Col., Conn., Fla., Ga., La., Mass., Md., Mich., Minn., Mo., N. J., O., Penn., R. I., Utah, Va., Wash.

(2) to waive examinations (see "Examinations");

Cal., Col., Conn., Fla., Ga., La., Md., Mich., Minn., Mo., O., Penn., R. I., Utah, Wash.

(3) to revoke certificates after due notice and hearing (see "certificates");

Cal., Col., Fla., La., Mass., Minn., Mo., O., R. I., Utah, Va., Wash.

(4) to issue certificates;

Cal., Col., Fla., La., Mass., Minn., O., R. I., Utah, Va., Wash.

In some of the states the board recommends the issuance of certificates to the governor or secretary of state.

Conn., Ga., Md., Mich., Mo., Neb., N. J., Penn.

In other states the board recommends to the governor or secretary of state the revocation of certificates.

Ga., Md., Mich., Neb., N. J., Penn.

In Illinois, Montana and New York the university has supervision of the examining board; the general powers then rest with the university and the board act merely as an examining board. The university appoints the board, adopts rules for its government, issues and revokes certificates and waives examinations.

Certified Public Accountants

Qualifications. Any person in order to assume the title of certified public accountant or chartered accountant or the abbreviations C. P. A. or C. A. or any other words or letters or abbreviations tending to indicate that the person, firm or corporation so using the same is a certified public accountant, must receive a certificate as a certified public accountant. Certificates are granted to persons with the necessary general qualifications, who pass the required examination or for whom the examination is waived. The general qualifications are:

California. Citizens of the United States or any person having declared his intentions of becoming such, residing and doing business in California; over twenty-one years of age; and of a good moral character.

Colorado. Citizens of the United States, or having declared such intentions; over twenty-one years of age; of

good moral character; graduate of high school or having an equivalent education; and three years experience in the practice of accounting.

Connecticut. Citizen of United States residing or having a place for the regular transaction of business in Connecticut; over twenty-one years of age; of good moral character; a graduate of a high school with a four years' course or having an equivalent education; having been regularly employed as bookkeeper for not less than two years; and having had such training as a public accountant as the board may prescribe.

Florida. Resident of the state; over twenty-one years of age; of good moral character; and a graduate of a high school with a four years' course or having an equivalent education.

Georgia. Citizen of the United States or any person residing or having an office for the regular transaction of business in Georgia; over twenty-one years of age; and of good moral character.

Illinois. Citizen of the United States or having declared such intentions, having a place for the regular transaction of business as a professional accountant in Illinois; over twenty-one years of age; of good moral character; and a graduate of a high school with a four years' course or an equivalent education.

Louisiana. Citizen of the United States, residing or having a place for the regular transaction of business in Louisiana; over twenty-one years of age; and of good moral character.

Maryland. Citizen of the United States or having declared intentions of becoming such, residing or having a

place for the regular transaction of business in Maryland; over twenty-one years of age; and of good moral character.

Massachusetts. Citizen of the United States and a resident of Massachusetts; not less than twenty-one years of age; of good moral character; and having professional ability.

Michigan. Any person residing or having a place for the regular transaction of business in Michigan; over twenty-one years of age, and of good moral character.

Minnesota. Citizen of the United States or having declared intentions of becoming such; over twenty-one years of age; of good moral character; three years experience as an assistant in the office of a public accountant or having practiced as a public accountant on his own account; and who passes the preliminary examination touching his general education unless waived by the board.

Missouri. Citizen of the United States or having declared intentions of becoming such; having a place for the regular transaction of business as a professional accountant in Missouri; over twenty-five years of age; of good moral character; graduate of a high school with a four years' course or having an equivalent education, or who passes an examination set by the board; and three years' experience in practical accounting.

Montana. Citizen of the United States or having declared intentions of becoming such; twenty-one years of age; graduate of an accredited high school or having an equivalent education; and three years experience in accounting, practicing on his own account, in the office of a public accountant or in a responsible accounting position in the employ of a business corporation, firm or individual.

Nebraska. Citizens of the United States or having declared intentions of becoming such, residing or having a place for the regular transaction of business in the state of Nebraska; over twenty-one years of age; and of good moral character.

New Jersey. Citizens of the United States, residing in or having a place for the regular transaction of business in New Jersey; over twenty-one years of age; and of good moral character.

New York. Citizens of the United States or having declared intentions of becoming such residing or having a place for the regular transaction of business in New York; over twenty-one years of age, and of good moral character.

Ohio. Citizens of the United States or having declared intentions of becoming such; over twenty-one years of age; of good moral character, graduate of a high school or having an equivalent education; and three years experience in the practice of accounting.

Pennsylvania. Citizens of the United States, residing or having an office for the regular transaction of business in Pennsylvania; over twenty-one years of age; and of good moral character.

Rhode Island. Citizen of the United States or having declared intentions of becoming such; having a place for the regular transaction of business as a professional accountant in Rhode Island; over twenty-one years of age; and of good moral character.

Utah. Citizens of the United States on having declared intentions of becoming such, residing or doing business as a public accountant in Utah; over twenty-one years of age; and of good moral character.

Virginia. Citizen of the United States, or having declared intentions of becoming such, residing or having an office in Virginia; over twenty-one years of age; of good moral character; graduate of a high school or having an equivalent education; and one year's experience practicing as a public accountant on his own account or two year's experience employed as an assistant in the office of a public accountant, or three year's experience employed as a bookkeeper.

Washington. Citizen of the United States or having declared intentions of becoming such, residing and doing business in Washington; over nineteen years of age; and of good moral character.

Examinations

Frequency. Examinations are held:

California. At least semi-annually.

Colorado. As often as may be necessary in the opinion of the board, but not less frequently than once a year.

Connecticut. At annual meetings, special meetings or as often as the board may deem necessary.

Florida. At least once a year.

Georgia. Twice a year, during May and November in the city of Atlanta.

Illinois. As often as the university of Illinois may deem necessary, but not less frequently than once a year.

Louisiana. At least once a year.

Maryland. At least once a year.

Massachusetts. Not specified.

Michigan. At least twice a year.

Minnesota. As often as may be convenient in the opinion of the board, but not less than once a year.

Missouri. At least once a year.

Montana. As often as may be necessary in the opinion of the university, but not less than one each year.

Nebraska. At least once a year.

New Jersey. At least twice a year.

New York. As often as the regents of the university may determine.

Ohio. Annually. If three or more persons apply to the board for certificates not less than five months after the annual examination, the board holds an examination at the time and place fixed by the board.

Pennsylvania. Twice a year in Philadelphia, Harrisburg and Pittsburgh.

Rhode Island. At least once a year in the city of Providence, and elsewhere in the discretion of the board.

Utah. At least annually.

Virginia. At least once a year in Richmond, or oftener in the discretion of the board.

Washington. At least semi-annually.

Public notice. The time and place of holding examinations must be advertised:

Connecticut. Public notice must be given at least fifteen days before the examination, in such manner as the board may determine.

Florida. In three or more papers where the circulation is most general in the state.

Illinois. For not less than three consecutive days in one daily newspaper published in each of the places where the examinations are to be held, not less than thirty days prior to the date of each examination.

Michigan. At least three consecutive days in a daily newspaper published in Detroit, Grand Rapids, Saginaw,

Marquette and Houghton, at least thirty days prior to the date of such examination, notice of such examination shall be mailed to all holders of certificates and to all applicants.

Minnesota. For not less than three consecutive days in one daily newspaper published in each county where the examinations are to be held, and not less than twenty days prior to the holding of such examination.

Missouri. For not less than three consecutive days, not less than thirty days prior to the date of each examination in at least two daily newspapers printed and published in the state.

Montana. For not less than three consecutive days, not less than thirty days prior to the date of each examination, in three representative daily newspapers.

Virginia. For not less than three consecutive days in at least one daily newspaper published in Richmond, one published in Norfolk and one published in Lynchburg, not less than thirty days prior to the date of each examination.

Scope. The scope of the examinations varies but slightly in the several states.

California. Theory of accounts, practical accounting, auditing and commercial law.

Colorado. Theoretical accounting, practical accounting, commercial law and other subjects that the board may deem advisable.

Connecticut. Theory of accounts, practical accounting, auditing, commercial law and such other related subjects as the board may deem necessary.

Florida. Theory of accounts, practical accounting, auditing and commercial law.

Georgia. Theory of accounts, practical accounting auditing, commercial arithmetic and commercial law.

Illinois. Theory of accounts, practical accounting, audititing and commercial law.

Louisiana. Theory of accounts, practical accounting, auditing, commercial law and such other branches as the board may deem necessary.

Maryland. Not prescribed by the law.

Massachusetts. Not prescribed by the law.

Michigan. Theory of accounts, practical accounting, auditing and commercial law.

Minnesota. Accounting, auditing, commercial law, and and such other subjects as the board may deem advisable. A preliminary examination in general education and qualifications.

Missouri. Theory of accounts, practical accounting, auditing and commercial law.

Montana. Theory of accounts, practical accounting, auditing, commercial law and such other subjects as the university may designate. An oral examination for general fitness is required.

Nebraska. Regular questions furnished by the national association for public accountants.

New Jersey. Not prescribed by the law.

New York. The regents of the university designate the subjects.

Ohio. Theory of accounts, practical accounting, commercial law and auditing.

Pennsylvania. Commercial law and general accounting.

Rhode Island. Theory of accounts, practical accounting, auditing, commercial law and such other subjects as the board may determine.

Utah. Theory of accounts, practical accounting, auditing and commercial law.

Virginia. Theory of accounts, practical accounting, auditing and commercial law.

Washington. Theory of accounts, practical accounting, auditing and commercial law.

Waiver. The examination in the following cases is waived:

California. Any person possessing the general qualifications who shall have been practicing as a public accountant on his own account for more than three years prior to the passage of the act, and who shall apply in writing for such certificate within one year thereafter.

Colorado. Any person who files application within six months after the organization of the board, who has practiced accounting for at least three years next preceding the date of his application the last year of which has been in Colorado, and files satisfactory proof of such fact. Any citizen of the United States, or who has declared such intentions, over twenty-one years of age, of good moral character, who has complied with the rules and regulations of the board and who holds a valid certificate issued by any other state, the United States or any foreign country with substantially equivalent requirements, which extends the same privilege.

Connecticut. Any person holding a certificate granted by another state, who has had at least five years experience as a public accountant, who has practiced in Connecticut for at least one year on his own account, provided that state grants a similar privilege. Any person twenty-one years of age, of good moral character, applying for the

certificate within ninety days after the passage of the act who shall satisfactorily show to the board that he has had at least two years instruction in the office or by a reputable public accountant in active practice in the state and has been engaged in the practice of public accountancy in the state for at least one year or has had such other equivalent experience as the board may determine.

Florida. A lawful holder of a certified public accountant certificate under the laws of another state which grants a similar privilege. A person possessing the general qualifications, who shall have been practicing on his own account as a public accountant for more than three years before the passage of the act, who shall apply for such certificate within a year thereafter.

Georgia. Any person who shall have been practicing as a public accountant for the three years immediately preceding the passage of the act who shall apply within three months thereafter.

Illinois. The university may provide in their rules to waive all or any part of the examination of any applicant possessing the general qualifications, who shall have had five successive years experience as a public accountant previous to the date of application; who shall apply within one year after the passage of the act and who shall have been practicing in Illinois on his own account as a public accountant for a period of not less than one year next preceding the passage of the act. Any person who shall have been in the practice as a public accountant for not less than five years next prior to the passage of the act outside of the state of Illinois who shall have passed an examination in the opinion of the university of Illinois,

equivalent to the examination held in Illinois. A holder of a Certified Public Accountant certificate from some other state.

Louisiana. Any person possessing the general qualifications and who has been actively employed as an accountant or bookkeeper for not less than five years, who shall apply for a certificate and furnish an affidavit giving the names of his employers for the past five years, provided the application be filed within ninety days after the passage of the act. Any person who has been for more than three consecutive years practicing as a public accountant in Louisiana on his own account, and who shall apply for such certificate within ninety days after the passage of the act.

Maryland. Any person possessing the general qualifications, who was at the time of the passage of the act practicing in Maryland as a public accountant and who shall apply for a certificate within one year after the passage of the act.

Michigan. Any applicant not later than 1906 who practiced as a public accountant for more than one year prior to the passage of the act. Any certified public accountant who holds a certificate issued under the laws of another state which extends a similar privilege.

Minnesota. Any person possessing the general qualifications, who is the holder of a certified public accountant certificate issued under the laws of another state which extends a similar privilege to certified public accountants of Minnesota, providing the requirements are equivalent. Any person possessing the general qualifications who is the holder of a certified public accountant certificate issued

under the laws of a foreign government, provided the requirements are equivalent. Any person possessing the general qualifications who for more than three consecutive years next preceding the passage of the act (April 22, 1909), has practiced in Minnesota as a public accountant on his own account and who shall apply in writing to the board for a certificate within six months after the passage of the act.

Missouri. Any person of competent age, of good moral character, who has been engaged in reputable practice as a public accountant for a continuous period of three years, one of which shall have been in the state of Missouri, immediately preceding the passage of the act (June 10, 1909), or who has been employed as an accountant by a reputable firm of accountants for a continuous period of five years immediately preceding the passage of the act (June 10, 1909), one of which shall have been in the state of Missouri, and who shall apply to the board for a certificate within six months after the taking effect of the act. Any person possessing a certificate from another state which provides similar registration and establishes as high a standard of qualifications as that required under the act.

Montana. Upon recommendation of the board of examiners, the university may waive examination for any person a citizen of the Unitsd States or having declared his intentions af becoming a resident of the state of Montana or maintaining a regular place of business therein, in the following cases: Holders of certified public accountant certificates issued under the laws of another state which extends a like privilege, provided the requirements

in the opinion of the board are equivalent. Holders of certified public accountant certificates or the equivalent issued in any foreign country provided the requirements, in the opinion of the board, are equivalent. Any person twenty-five years of age, of good moral character, graduate of an accredited high school or an equivalent education, who has had three years' experience in the practice of public accounting in Montana, and whose qualifications are in every respect equal to those assumed or implied by the successful passing of the examination and who is personally known to the board to be so qualified as a competent and skilled accountant in theory and practice and who shall apply to the university for such certificate within one hundred and eighty days after the passage of the act.

Nebraska. Members of the state association for public accountants are granted certificates without examination.

New Jersey. The governor, upon written recommendation of the board may waive the examination of any person possessing the general qualifications who has practiced for more than three years before the passage of the act as public accountant in the state, and shall apply for such certificate within one year thereafter. The board may waive the examination of any person who at the time of the application resides in New Jersey, and has a valid certificate as a certified public accountant issued under anothor state which grants a similar privilege.

New York. The regents of the university may waive the examination of any person possessing the general qualifications, who shall have practiced in New York for more than one year as a public accountant on his own account

and who shall apply for such certificate prior to Sept. 1, 1901.

Ohio. Any person who applies for a certificate within six months after the organization of the board, is at that time a public accountant, has practiced the profession of public accounting for at least three years, who files proof of such facts and proof of the special education required. Any person who is a citizen of the United States or has declared his intention of becoming such, is over twenty-one years of age, of good moral character, who has complied with the rules and regulations of the board and who holds a valid certificate as a certified accountant issued by any other state or foreign nation when the board is satisfied that their requirements are substantially equivalent to those in Ohio.

Pennsylvania. Any person who has been for three years before the passage of the act practicing as a public accountant and who shall apply for such certificate within a year thereafter.

Rhode Island. Holder of certificate issued under the laws of other states which extend the same privilege. Possessor of general qualifications, who has practiced in Rhode Island on his own account for more than three years preceding the passage of the act, and who applies for such certificate within six months thereafter.

Utah. Any person who practiced for more than two years prior to the passage of the act as a public accountant on his own account and who shall apply within one year thereafter.

Virginia. Any person possessing the general qualifications, who is the holder of a certified public accountant

certificate, issued under the laws of another state which extends similar privileges to certified public accountants of Virginia, provided the requirements are, in the opinion of the board, equivalent. Any person who is the holder of a certified public accountant certificate issued under the law of a foreign country, provided the requirements are, in the opinion of the board, equivalent. Any person who has for at least one year next preceding the date of his application, been practicing in Virginia as a public accountant on his own account, who shall apply for such certificate within six months after the act becomes operative.

Washington. Any person possessing the general qualifications, who has been for more than one year prior to the passage of the act a resident of the state of Washington, who shall apply in writing for such certificate within a year thereafter.

Certificates

State	*Issued by*	*Duration*
California	Board	One year, may be renewed from year to year
Colorado	Board	Until revoked
Connecticut	Governor, upon recommendation of board	Until revoked
Florida	Board	Until revoked
Georgia	Governor, upon recommendation of board	Until revoked
Illinois	University	Until revoked

Certificates—Continued.

State	*Issued by*	*Duration*
Louisiana	Board	Until revoked
Maryland	Governor, upon recommendation of board	Until revoked
Massachusetts	Commissioner of Banking	One year, may be renewed from year to year
Michigan	Governor, upon recommendation of board	Until revoked
Minnesota	Secretary of State, upon recommendation of board	Until revoked
Minnesota	Board	Until revoked
Missouri	Secretary of State, upon recommendation of board	Until revoked
Montana	University	Until revoked
Nebraska	Governor	Until revoked
New Jersey	Governor, upon recommendation of board	Until revoked
New York	University	Until revoked
Ohio	Board	Until revoked
Pennsylvania	Governor	Until revoked
Rhode Island	Board	Until revoked
Utah	Board	One year, may be renewed
Virginia	Board	Until revoked
Washington	Board	One year, may be renewed from year to year

Revocation

California. The board may revoke certificates for cause, after written notice to holder, and a hearing thereon, upon the affirmative vote of at least four members.

Colorado. The board may revoke a certificate for sufficient cause after written notice to the holder at least 20 days before the hearing, stating the cause for such contemplated action and appointing a time for a hearing.

Connecticut. No provision for the revocation of certificates.

Florida. The board may revoke a certificate for unprofessional conduct, or other sufficient cause, after written notice to the holder, twenty days before the hearing, stating the cause for such contemplated action and appointing a day for a full hearing.

Georgia. The governor may revoke certificates for sufficient cause upon the recommendation of the board, who shall give written notice to the holder. A hearing must be had.

Illinois. The University of Illinois may revoke certificates for unprofessional conduct or other sufficient cause, after written notice to the holder, twenty days before the hearing, stating the cause for such contemplated action and appointing a date for a full hearing thereon by the university.

Louisiana. The state board of accountants may revoke certificates and may cancel registrations for unprofessional conduct or for other cause provided written notice is sent to the holder of the certificate twenty days before the hearing, stating the cause for such contemplated action, and appointing a date for a full hearing.

Maryland. The governor may revoke certificates for sufficient cause, after notice to the holder and a hearing.

Massachusetts. The commissioner of banking may revoke certificates after notice and hearing.

Michigan. The governor may revoke certificates for sufficient cause, after written notice to the holder and a hearing, and shall issue such notice when requested by the board.

Minnesota. The board may revoke certificates for bad moral character, dishonesty, conviction of crime, incompetency or unprofessional conduct, after written notice at least twenty days before the hearing, stating the cause for such contemplated action, and appointing a place for a hearing.

Missouri. The board may revoke certificates for unprofessional conduct or other sufficient cause. Written notice must be mailed to the holder at least twenty days before any hearing, stating the cause for such contemplated action, and appointing a day for such hearing.

Montana. The university may, for unprofessional conduct or other sufficient cause, revoke or cancel the registration of any certificate, provided written notice of the cause of such contemplated action and the date of the hearing is mailed to the holder at least thirty days before said hearing.

Nebraska. Certificates may be revoked by the governor for a sufficient cause, provided written notice is given to the holder and after a hearing.

New Jersey. The governor, upon the recommendation of the board may revoke any certificate issued by him, provided the recommendation is made after a hearing before

said board, due notice of which has been given to the holder, and for sufficient cause shown at said hearing.

New York. The regents of the university may revoke certificates for sufficient cause and after written notice and a hearing.

Ohio. The board may revoke certificates after a hearing. Notice must be mailed to the owner of the certificate at least twenty days before the hearing. Such notice must state the cause of the contemplated action and appoint a day for a hearing.

Pennsylvania. The governor may revoke certificates for sufficient cause upon recommendation of the board after a written notice to the holder, and after he has had a hearing.

Rhode Island. The board may revoke the certificate for gross incompetency, unprofessional conduct or other sufficient cause, after notice to the holder and a hearing.

Utah. The board of accountancy may revoke certificates for cause, after written notice to the holder, and a hearing.

Virginia. The board may revoke any certificate on account of conviction of felony, fraud, insanity or otherwise incompetent as declared by any court of competent jurisdiction, or unprofessional conduct in the opinion of the board, provided written notice of the cause of such contemplated action and the date for a hearing is mailed to the holder at least twenty days prior to such hearing.

Washington. Certificates may be revoked for cause by the board upon at least four affirmative votes.

Fees

California. Not more than twenty-five dollars; one dollar for renewals.

Colorado. Twenty-five dollars. Re-examination within eighteen months without second fee.

Connecticut. Twenty-five dollars. For issuance of certificate when examination is waived, ten dollars.

Florida. Twenty-five dollars. The board may charge such fee as they deem necessary in cases of registration of other certificates or in granting certificates when examination is waived.

Georgia. Twenty-five dollars.

Illinois. Twenty-five dollars.

Louisiana. Not to exceed ten dollars for application filed during the first ninety days after the passage of the act. Not to exceed twenty-five dollars after ninety days.

Maryland. Such fee as the board may deem necessary to meet the expenses.

Massachusetts. The amount of the fee is determined by the commissioner of banking,—a reasonable, fixed fee, not to exceed twenty-five dollars, which in his opinion is necessary to carry out the provisions of the act.

Michigan. Twenty-five dollars.

Minnesota. Twenty-five dollars.

Missouri. For examination or recommendation for waiver, or for registration of certificates from other states, twenty-five dollars; for issuance of certificate ten dollars; Re-examination within a year after failure without second fee.

Montana. Twenty-five dollars; second examination without further fee.

Nebraska. Enough to meet actual expenses.

New Jersey. Twenty-five dollars.

New York. The regents of the university fix the amount.

Ohio. Twenty-five dollars. Re-examination within eighteen months without a second fee.

Pennsylvania. Twenty-five dollars.

Rhode Island. Twenty-five dollars; upon failure to appear or to pass, may, in the discretion of the board, take the next annual examination upon the payment of fifteen dollars for registration—when examination is waived, fifteen dollars.

Virginia. Twenty-five dollars; upon failure to appear or to pass, may take the next examination upon the payment of ten dollars.

Utah. Twenty-five dollars for examination and certificate. Not more than five dollars for renewals.

Washington. Not more than twenty-five dollars; one dollar for renewals.

Penalties

California. Violation punished as a misdemeanor.

Colorado. Fifty to two hundred dollars for each offense.

Connecticut. Not more than five hundred dollars.

Florida. Not more than two hundred dollars or not more than six months.

Georgia. Two hundred dollars to five hundred dollars.

Illinois. Not more than two hundred dollars.

Louisiana. Not less than one hundred dollars, or three months.

Maryland. Fifty dollars to two hundred dollars, or not more than six months.

Massachusetts. Five hundred dollars or not more than six months.

Michigan. One hundred dollars to five hundred dollars, or not exceeding six months.

Minnesota. Violation punished as a gross misdemeanor.

Missouri. Misrepresentation as a certified public accountant, fifty dollars to five hundred dollars; falsifying a report, statements, investigations or audit, one hundred to one thousand dollars, or three months to one year, or both.

Montana. One hundred to five hundred dollars, or one to six months, or both for each day's violation.

Nebraska. Fifty dollars to two hundred dollars, or not more than six months.

New Jersey. Fifty to five hundred dollars, or not less than one month.

New York. Violation punished as a misdemeanor.

Ohio. Ten to one hundred dollars.

Pennsylvania. Not more than five hundred dollars.

Rhode Island. Two hundred dollars; subsequent conviction, two hundred to five hundred dollars or not more than six months or both.

Utah. Not more than two hundred dollars.

Virginia. One hundred to five hundred dollars or one to six months or both.

Washington. Not more than one hundred dollars.

SALIENT FEATURES

Methods of Regulation

In foreign countries regulation of certified public accountants is accomplished by chartering societies and providing rules for admission of members. In Germany the accountants must be sworn in by courts of competent jurisdiction or other proper officer.

In the United States and New Zealand boards of accountancy are created to examine and issue certificates to individual accountants. In some states the university appoints and supervises an examining board.

Apprenticeship

Foreign countries provide an articled clerk system but in the United States no apprenticeship is provided.

Examinations

Examinations, with a waiver upon certain conditions, are required in all countries and states. The scope of the examination is practically the same in the several states of the United States, theory of accounting, practical accounting, auditing and commercial law. The examinations of Edinburgh, typical of those of England and Scotland,

"are three in number,—preliminary, intermediate and final. The first,—embraces the usual educational subjects: the second,—advanced mathematics and professional knowledge, the third,—law, actuarial science and political economy, and four papers on the general business of an accountant under which are included bookkeeping and all forms of accounts, auditing, bankruptcy, trusts, factorship, apportionments, administration and liquidation of companies and judicial and private references, remits and proofs." [1]

The Scottish Board of Chartered Accountants of Scotland has recently approved and adopted a new form of syllabus for the examination which will come into operation in June, 1911. The preliminary examination will disappear entirely, its place being taken by some form of school leaving certificate or by the passing of some recognized examination of the Matriculation standard. There will be very little change in the intermediate and practically only a rearrangement in the final. [2]

Educational Qualifications

In many instances an education equivalent to that acquired in an accredited high school with a four years course is required. In Scotland, before presenting himself for the final examination, a candidate must have attended a class of Scots law at a Scottish university and such other classes as the board may prescribe.

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[1] Journal of Accountancy, Jan. 1906, p. 253.
[2] Journal of Accountancy.

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